

**STATE OF SOUTH CAROLINA**

Combined Application for Certificate of Environmental  
Compatibility, Public Convenience and Necessity and for a  
Base Load Review Order for the Construction and  
Operation on a Nuclear Facility at Jenkinsville, South  
Carolina

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**COVER SHEET**

**DOCKET**

**NUMBER: 2008 - 196 - E**

(Please type or print)

**Submitted by:** K. Chad Burgess

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

**DOCKETING INFORMATION** (Check all that apply)

☐ **Emergency Relief demanded in petition** ☐ **Request for item to be placed on Commission's Agenda expeditiously**

☐ **Other:** \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input checked="" type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	



September 16, 2008

**VIA ELECTRONIC MAIL AND HAND DELIVERY**

The Honorable Charles Terreni  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive (29210)  
Post Office Drawer 11649  
Columbia, South Carolina 29211

RE: Combined Application of South Carolina Electric & Gas Company for a Certificate of Environmental Compatibility and Public Convenience and Necessity and for a Base Load Review Order for the Construction and Operation of a Nuclear Facility at Jenkinsville, South Carolina  
Docket No. 2008-196-E

Dear Mr. Terreni:

South Carolina Electric & Gas Company ("SCE&G" or "Company") is hereby filing with the Public Service Commission of South Carolina ("Commission") ten (10) copies of the direct testimony and exhibits of the following Company witnesses in the above-referenced docket.

1. Kevin B. Marsh;
2. Jimmy E. Addison;
3. Stephen A. Byrne;
4. E. Elizabeth Best;
5. Steven J. Connor;
6. Stephen E. Summer;
7. Robert B. Whorton;
8. Dr. Joseph M. Lynch;
9. David K. Pickles;
10. Hubert C. Young, III; and
11. Kenneth R. Jackson.

As part of the direct testimony of Stephen E. Byrne, SCE&G is filing as an exhibit a redacted and unredacted copy of the Engineering, Procurement and Construction Agreement ("EPC Contract") entered into between SCE&G and a consortium consisting of Westinghouse Electric Company, LLC and Stone & Webster, Inc. (collectively, "Contractor"). The redacted version of the EPC Contract is designated as Public Version Hearing Exhibit \_\_\_\_ (SAB-3-P), and the unredacted version of the EPC Contract is designated as Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C).

The EPC Contract contains confidentiality provisions that require SCE&G to protect proprietary information that the Contractor believes to constitute trade secrets and to be

(Continued . . .)

commercially sensitive. The Contractor has requested that SCE&G maintain the confidentiality of certain information contained in the EPC Contract. Accordingly, this confidential information has been redacted by the Contractor from the Confidential Version of the EPC Contract.

In keeping with the Contractor's request and the terms of the EPC Contract, SCE&G respectfully requests that the Commission find that Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C) contains protected information and issue a protective order barring the disclosure of this exhibit under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in its public form. Pursuant to 26 S.C. Code Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion. Such a ruling in this instance would be consistent with the Commission's prior ruling in this docket finding, among other things, that the pricing and pricing terms of the EPC Contract to be confidential and issuing a protective order barring the disclosure of this information. See Commission Order No. 2008-467 issued in Docket No. 2008-196-E.

In addition, please note that as part of the direct testimony of E. Elizabeth Best, the Company is filing two exhibits identified as Exhibit F (Confidential) Exhibit No. \_\_\_\_ (EEB-1-C)) and Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C),<sup>1</sup> both of which contain certain confidential information. The Contractor has requested that SCE&G maintain the confidentiality of this information contained within these exhibits. This confidential information has been redacted from the Confidential Version of those exhibits and is identified as Exhibit F (Public) Exhibit No. \_\_\_\_ (EEB-1-P) and Exhibit I (Public) Exhibit No. \_\_\_\_ (EEB-2-P).

The information contained within the Confidential Version of these exhibits is identical to the information contained in the Combined Application in Exhibit F, Chart A, in the introduction to Exhibit I, and in Exhibit I, Chart A that the Company filed under seal with this Commission on May 30, 2008, and subsequently, received a protective order barring disclosure of this information. See Commission Order No. 2008-467. Since Exhibit F (Confidential) Exhibit No. \_\_\_\_ (EEB-1-C)) is identical to Exhibit F, Chart A and Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C) is identical to Exhibit I, Chart A, SCE&G respectfully requests that Exhibit F (Confidential) Exhibit No. \_\_\_\_ (EEB-1-C)) and Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C) be afforded the same protection under Commission Order No. 2008-467.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, enclosed with this letter and attached to the direct testimony of Mr. Byrne as a hearing exhibit is as follows:

1. Redacted Confidential Version of the EPC Contract (Public Version Hearing Exhibit \_\_\_\_ (SAB-3-P));

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<sup>1</sup> The exhibit designated as Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C) which is attached to the direct testimony of Ms. Best is identical to the exhibit designated as Confidential Version Hearing Exhibit \_\_\_\_ (SAB-6-C) attached to the direct testimony of Mr. Byrne. All references made in this letter to Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C) also mean Confidential Version Hearing Exhibit \_\_\_\_ (SAB-6-C).

2. Unredacted Confidential Version of the EPC Contract (Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C));
3. Redacted Confidential Version of Public Version Hearing Exhibit \_\_\_\_ (SAB-6-P);
4. Unredacted Confidential Version of Public Version Hearing Exhibit \_\_\_\_ (SAB-6-C);

Moreover, enclosed with this letter and attached to the direct testimony of Ms. Best as a hearing exhibit is as follows:

1. Redacted Confidential Version of Exhibit F (Public) Exhibit No. \_\_\_\_ (EEB-1-P);
2. Unredacted Confidential Version of Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-1-C);
3. Redacted Confidential Version of Exhibit I (Public) Exhibit No. \_\_\_\_ (EEB-2-P); and
4. Unredacted Confidential Version of Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C).

SCE&G respectfully requests, in the event that anyone should seek disclosure of the unredacted Confidential Version of the above-referenced exhibits, that the Commission notify SCE&G of such request and provide it and the Contractor with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Confidential Version of these documents from disclosure.

In relation to this request for confidential treatment of Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C) and Confidential Version Hearing Exhibit \_\_\_\_ (SAB-6-C), SCE&G is enclosing the following:

- (1) A true and correct copy of the Confidential Version of the EPC Contract (Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C)) and a Confidential Version Hearing Exhibit \_\_\_\_ (SAB-6-C), in a sealed envelope marked "CONFIDENTIAL." Each confidential page of the Confidential Version of the EPC Contract is also marked "CONFIDENTIAL."
- (2) Ten copies of the redacted Confidential Version of the EPC Contract (Public Version Hearing Exhibit \_\_\_\_ (SAB-3-P)) and the redacted Confidential Version of Public Version Hearing Exhibit \_\_\_\_ (SAB-6-P) for filing and public disclosure.

Moreover, in relation to this request for confidential treatment of Exhibit F (Confidential) Exhibit No. \_\_\_\_ (EEB-1-C) and Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C), SCE&G is enclosing the following:

- (1) A true and correct copy of Exhibit F (Confidential) Exhibit No. \_\_\_\_ (EEB-1-C) and Exhibit I (Confidential) Exhibit No. \_\_\_\_ (EEB-2-C), in a sealed envelope marked "CONFIDENTIAL." Each confidential page of the Confidential Version of these exhibits is also marked "CONFIDENTIAL."

- (2) Ten copies of the redacted Exhibit F (Public) Exhibit No. \_\_\_\_ (EEB-1-P) and Exhibit I (Public) Exhibit No. \_\_\_\_ (EEB-2-P) for filing and public disclosure.

By copy of this letter, SCE&G is serving all those persons and entities included on the Service List for Docket No. 2008-196-E posted on the Commission's website with the public documents that SCE&G is filing with the Commission at this time and attach a certificate of service to that effect. For those parties who have executed a confidentiality agreement with SCE&G, namely the South Carolina Office of Regulatory Staff ("ORS") and the South Carolina Energy Users Committee ("SCEUC"), the Company is providing these entities with the unredacted confidential version of the exhibits to Mr. Byrne's and Ms. Best's direct testimony with the exception of the unredacted Confidential Version of the EPC Contract (Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C)). The unredacted Confidential Version of the EPC Contract is available for inspection by ORS and the SCEUC at the Company's headquarters.

For those other parties of record who sign an appropriate confidentiality agreement, SCE&G will provide them with the unredacted confidential version of the exhibits to Mr. Byrne's and Ms. Best's direct testimony with the exception of the unredacted Confidential Version of the EPC Contract (Confidential Version Hearing Exhibit \_\_\_\_ (SAB-3-C)). The unredacted Confidential Version of the EPC Contract will be made available for inspection at the Company's headquarters to those parties of record who execute a confidentiality agreement.

Additionally, attached to this filing letter is a Safe Harbor Statement that is applicable to the direct testimony and exhibits of SCE&G's witnesses.

If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/kms  
Enclosures

cc: Nanette S. Edwards, Esquire  
Shannon Bowyer Hudson, Esquire  
Scott Elliott, Esquire  
E. Wade Mullins, Esquire  
Damon E. Xenopoulos, Esquire  
Robert Guild, Esquire  
Carlisle Roberts, Esquire  
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Lawrence P. Newton  
Maxine Warshauer and Samuel Baker  
Mildred McKinley  
Pamela Greenlaw  
John Frampton  
Chad Prosser  
David L. Logsdon  
Roger Stroup  
John V. Walsh  
David Owen and Charles Ramsey  
(all via electronic mail and first class U.S. Mail)

The Honorable Gregrey Ginyard  
Ruth Thomas  
(both via first class U.S. Mail)

## SAFE HARBOR STATEMENT

Statements included in the direct testimony and exhibits filed by South Carolina Electric & Gas Company ("SCE&G" or the "Company") with the Public Service Commission of South Carolina in Docket No. 2008-196-E which are not statements of historical fact are intended to be, and are hereby identified as, "forward-looking statements" for purposes of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements concerning future debt issuance, cost of capital, capital structure, revised rates filings, effective dates of rates, inflation rates, construction costs, AFUDC rates, capital expenditures, construction schedules, licensing and permitting activities, completion dates for new units, investment tax credits, fuel costs, generation mix, customer and demand growth, natural gas prices, uranium prices, coal prices, CO<sub>2</sub> emission costs, and construction and permitting contingencies and risks. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expects," "forecasts," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" or "continue" or the negative of these terms or other similar terminology. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, and that actual results could differ materially from those indicated by such forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, but are not limited to, the following: (1) the information is of a preliminary nature and may be subject to further and/or continuing review and adjustment; (2) regulatory actions, regulatory delay, and intervention by opposing parties in licensing and permitting proceedings; (3) collateral lawsuits, appeals and other litigation; (4) changes in rate regulation, environmental laws and regulations, and nuclear safety laws and regulations; (5) changes in the cost or availability of labor, equipment, components and materials; (6) performance of key contractors or suppliers of key components or services; (7) transportation and shipping problems; (8) delays in construction related to weather conditions or natural disasters both in South Carolina and affecting suppliers and contractors; (9) changes in the economy, especially in areas served by SCE&G; (10) changes in the public, political and regulatory perception and support for nuclear power; (11) the results of financing efforts; (12) changes in SCANA's or its subsidiaries' accounting rules and accounting policies; (13) payment by counterparties as and when due; (14) the results of efforts to license, site and construct facilities for baseload electric generation; (15) the availability and prices of fuels such as coal, natural gas and enriched uranium used to produce electricity; (16) the level and volatility of future market prices for such fuels and purchased power; (17) the impact of competition from alternate energy sources; (18) the availability of purchased power and natural gas for distribution; (19) inflation; (20) capital market conditions; (21) compliance with regulations; (22) changes in federal and state income tax laws and regulations; and (23) the other risks and uncertainties described in these documents, and as described from time to time in the periodic reports filed by SCANA Corporation or SCE&G with the United States Securities and Exchange Commission (SEC). The Company disclaims any obligation to update any forward-looking statements.

**BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2008-196-E**

IN RE:

Combined Application of South Carolina )  
Electric & Gas Company for a Certificate )  
Of Environmental Compatibility and Public )  
Convenience and Necessity and for a Base )  
Load Review Order for the Construction and )  
Operation of a Nuclear Facility in )  
Jenkinsville, South Carolina )

**CERTIFICATE  
OF SERVICE**

This is to certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Direct Testimony of Kevin B. Marsh, Jimmy E. Addison, Stephen A. Byrne, E. Elizabeth Best, Steve J. Connor, Stephen E. Summer, Robert B. Whorton, Dr. Joseph M. Lynch, David K. Pickles, Hubert C. Young, III, and Kenneth R. Jackson** to the persons named below and in the manner described:

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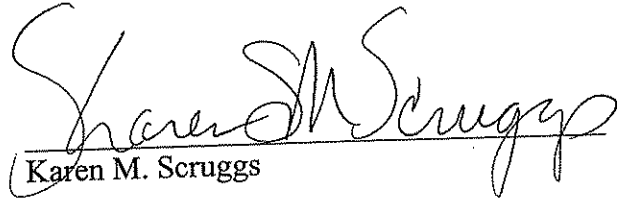
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The Honorable Gregrey Ginyard  
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Jenkinsville, SC 29065  
(via First Class U.S. Mail)

  
Karen M. Scruggs

Columbia, South Carolina

This 16th day of September 2008